

Patient Care Update

Area 2 Team Meeting

May 15, 2012

Topics for discussion today

1 Patient Care Performance

2 Patient Care Excellence

3 Real Time Order Ready

4 Breakout Activity

Executive Summary

Ensuring Consistency of Patient Care Performance

Pharmacy teams continue to demonstrate ability to improve medication adherence through the effective delivery of patient care interventions

- Since the inception of PCI, stores have conducted over 150M proactive interventions with patients
- Chain-level KPM performance steadily improved throughout 2011

Opportunity exists to drive incremental value in the 2nd half of 2012 by reducing variability in performance/ execution of key interventions

- Significant gap exists between top performing stores and bottom performing stores
- Reducing this gap has the potential to drive additional script growth in the back half of the year

Additional tools are currently being evaluated to support improved consistency across stores

- Near term: System tools to improve store visibility to real-time execution and influence results

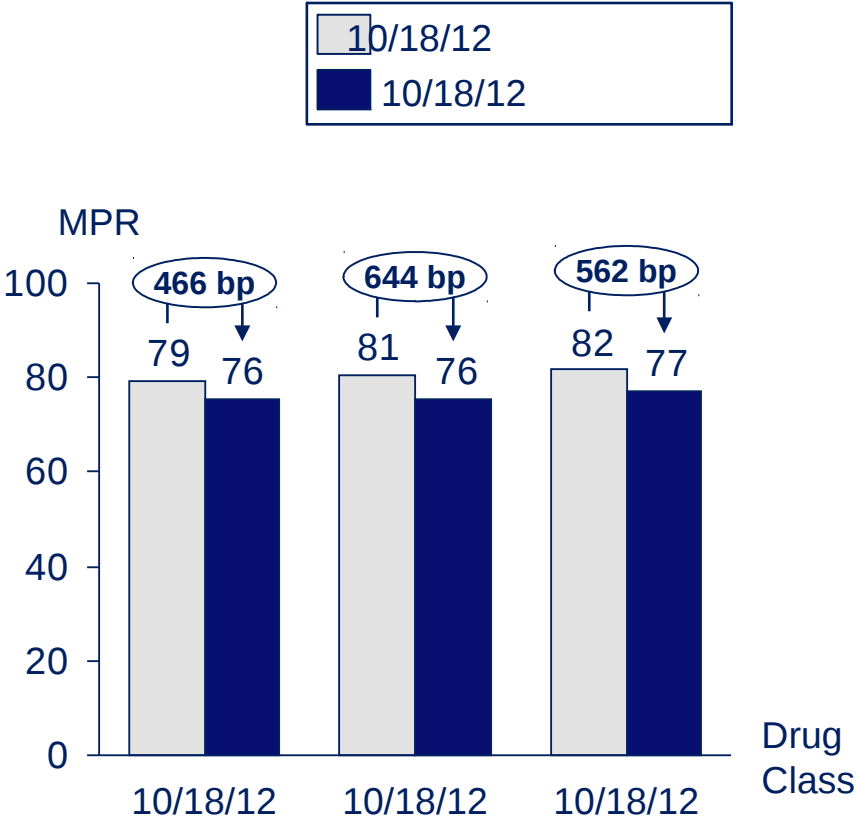
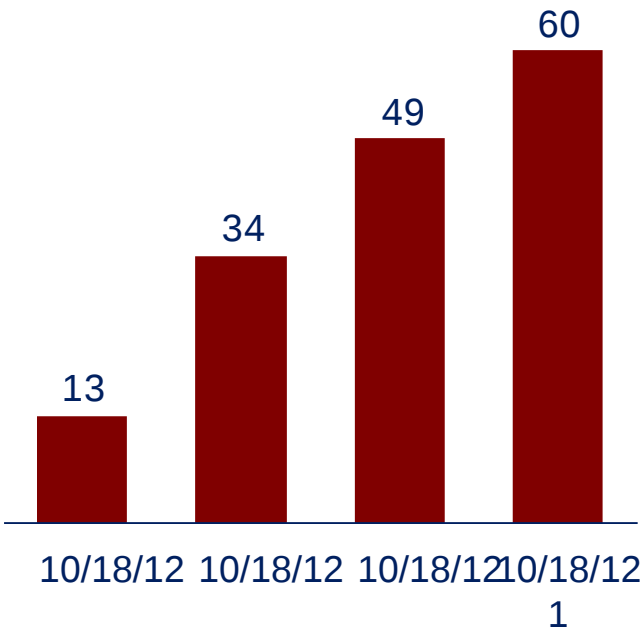
Patient Care Excellence behavioral assessment providing key insights into current approach and behaviors of high performing pharmacy teams and field leadership

- High performing teams have fully integrated patient care into the core of their pharmacy
- Regular meetings and role-playing are conducted to discuss intervention messaging and effective techniques to address patient objections during conversations
- Field and Pharmacy teams are completely aligned on the objective (outcomes) of the interventions and not on the tasks (execution).

Stores have achieved significant adherence strides through execution of patient care programs

Stores have conducted over 150M Interventions since 2008...

...driving significant adherence results and leading CVS to Best-in-Class Adherence

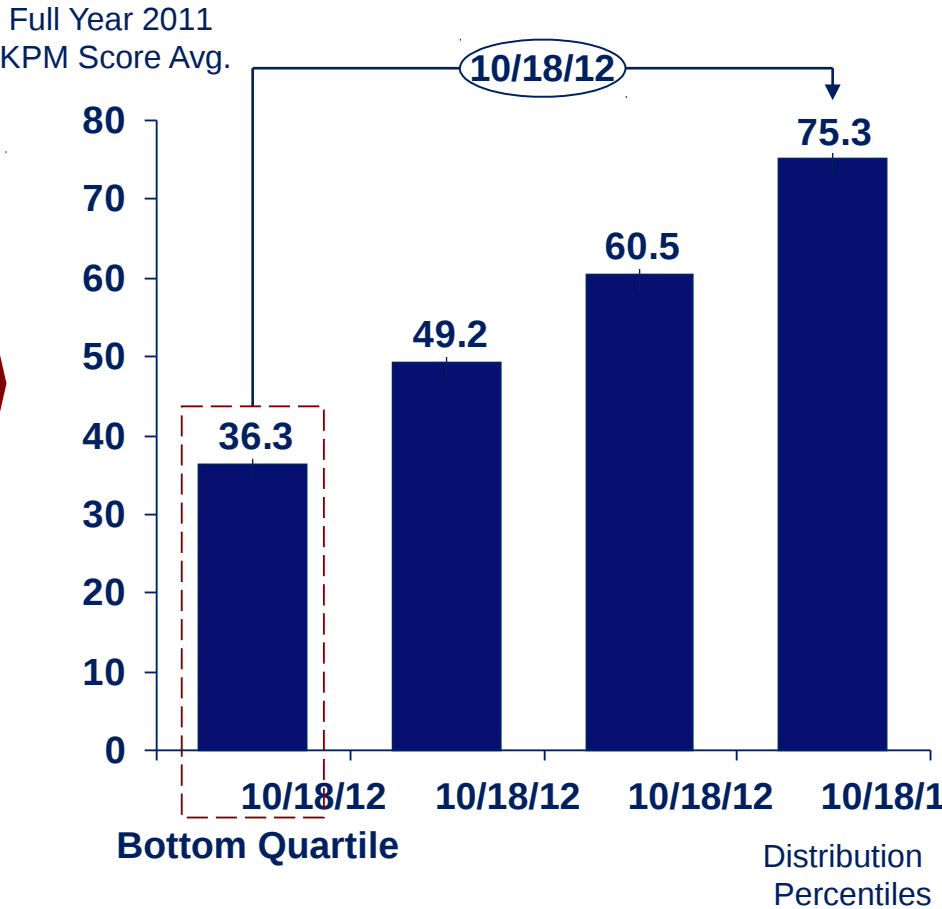
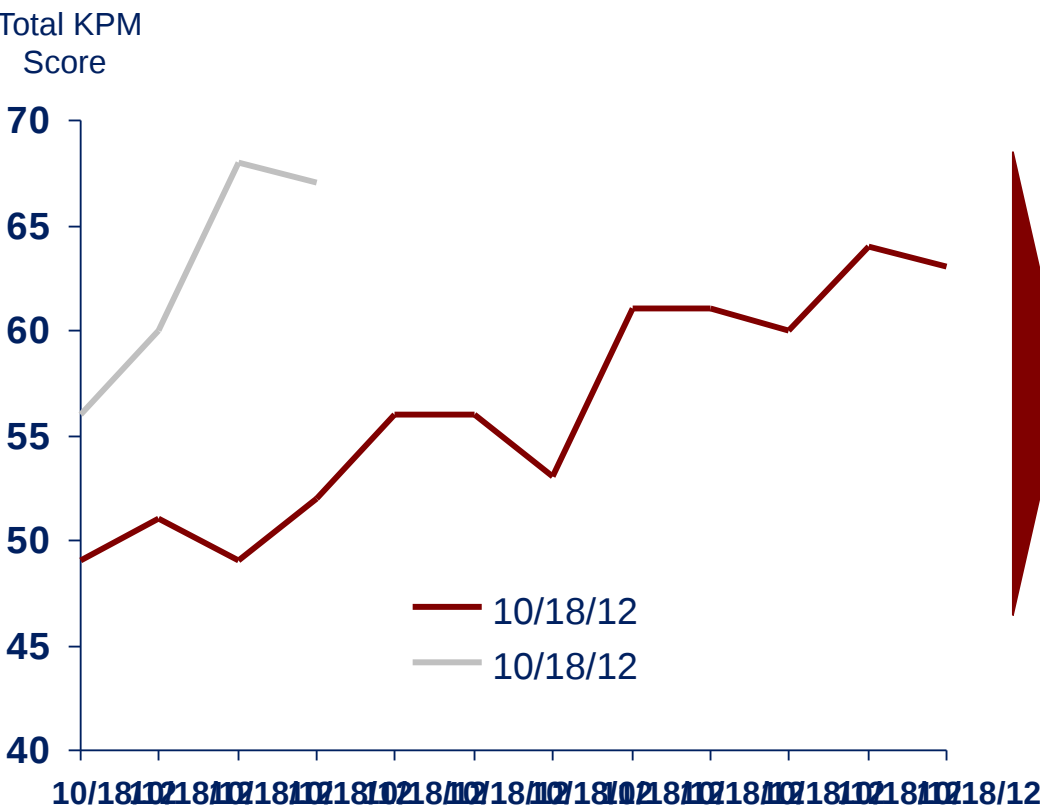


1) Annualized number based on 2011 1H
Source: CVS Caremark Quarterly Adherence Report

Area 2 pharmacy teams continue to demonstrate ability to improve adherence through delivery of patient care interventions

Patient Care performance has steadily improved from Jan. 2011 to Apr. 2012

Reducing variability remains greatest opportunity gap2

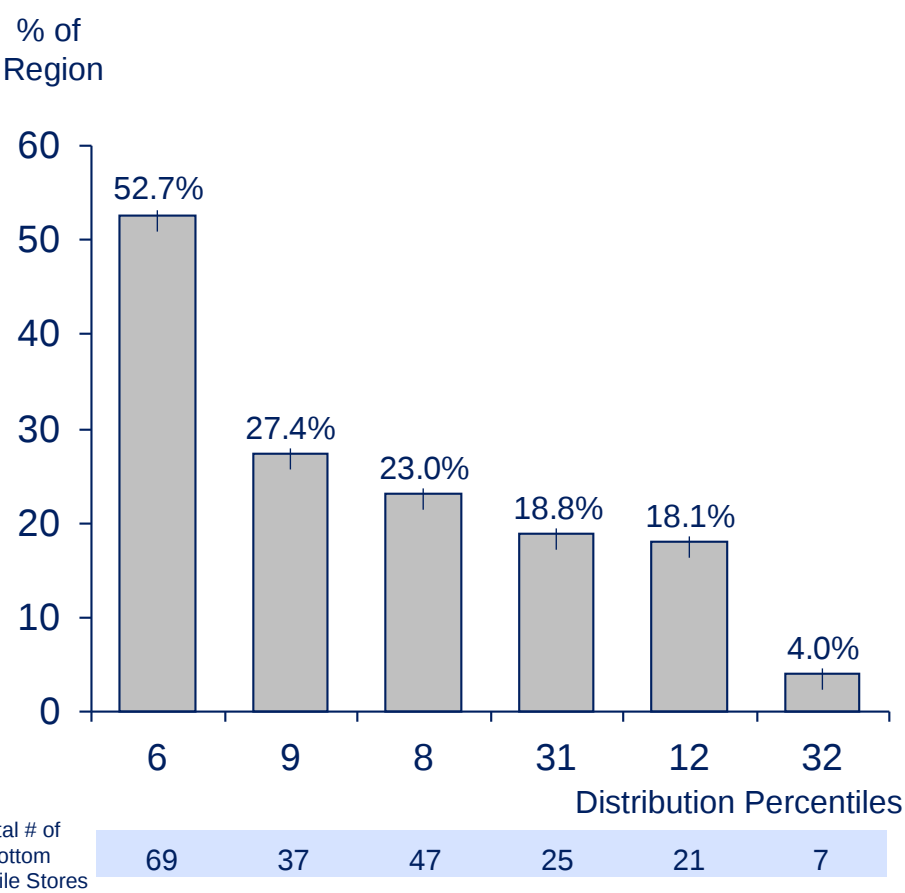
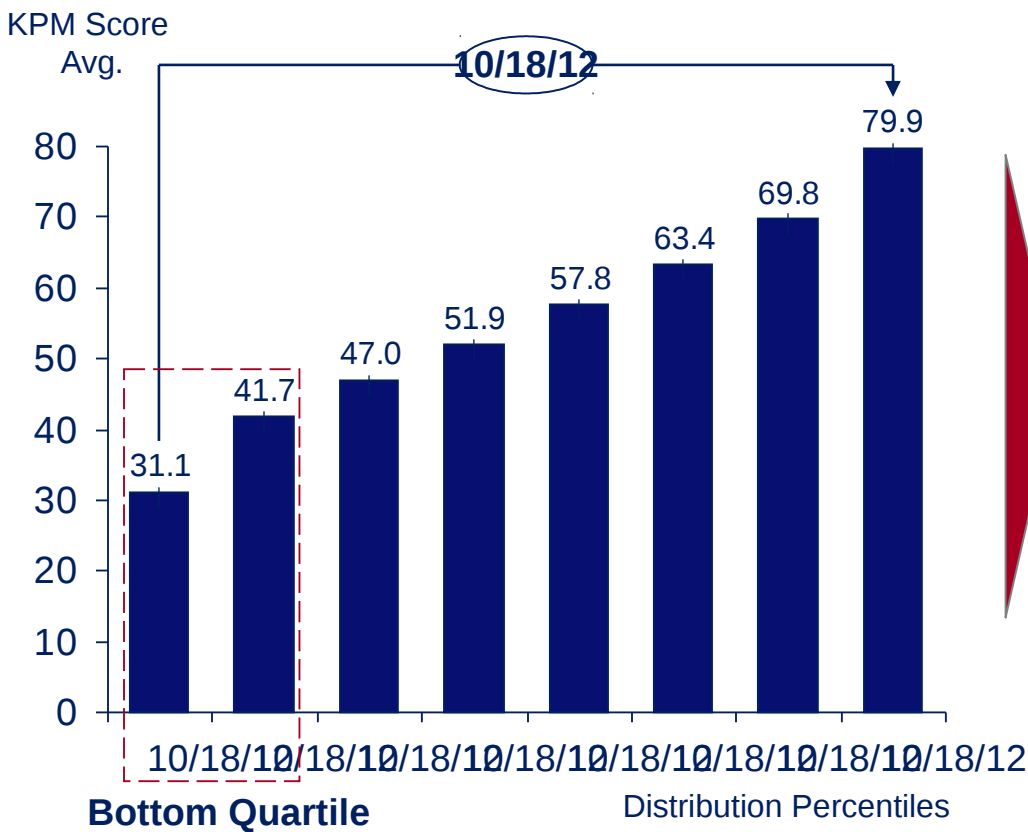


1. KPM scoring methodology changed from 2011 to 2012
2. Quartiles defined by full year 2011 KPM scores; Data represents 893 stores and excludes 18 stores that either closed or opened during 2011

However, there are gaps in patient care across stores that represent a significant opportunity for Area 2

Significant disparity in full year 2011 patient care performance metrics within Area 2...

With bottom quartile stores concentrated across different regions

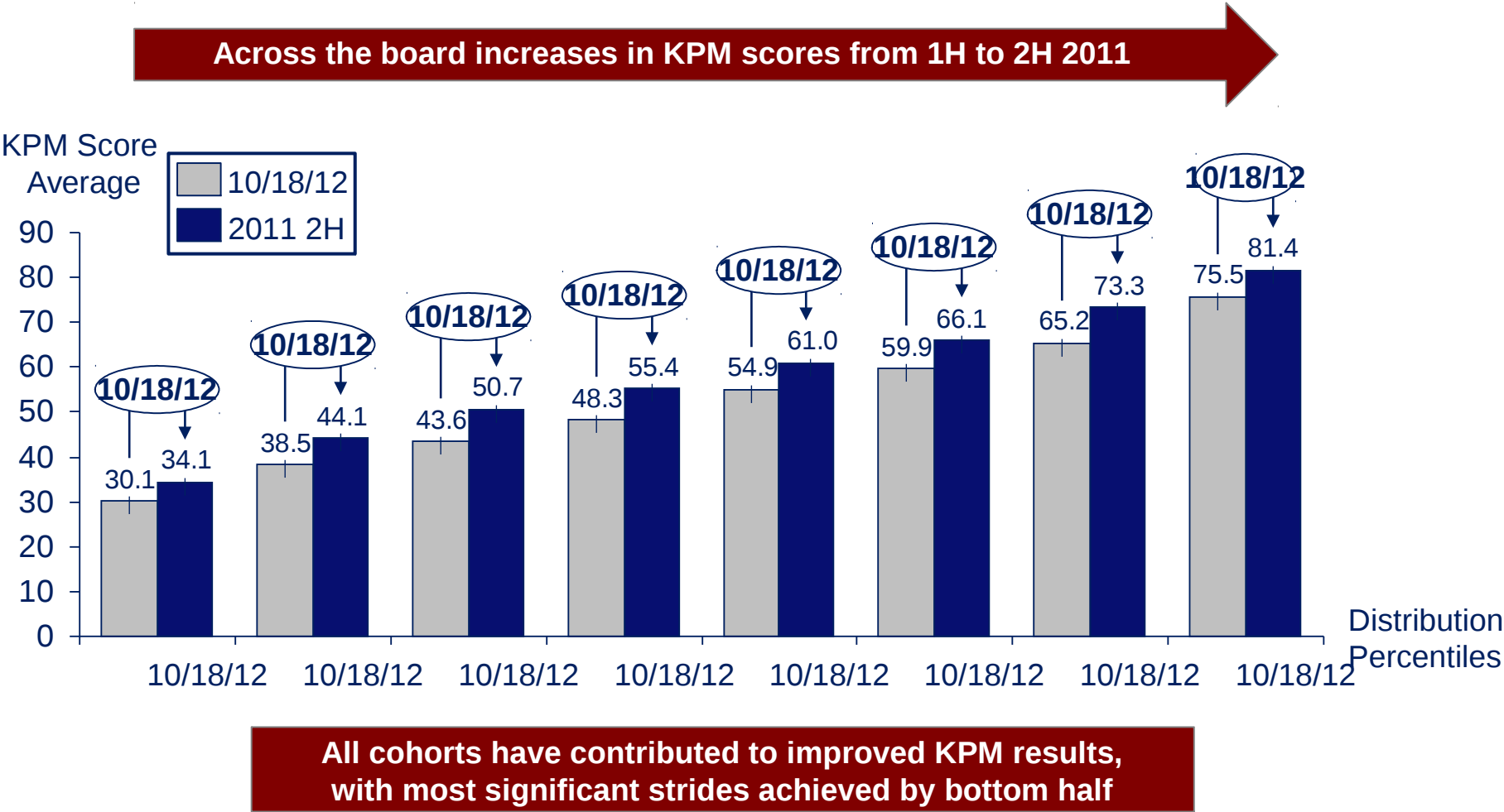


Significant opportunity exists in closing gap between top and bottom performers

1. Octiles defined by full year 2011 KPM scores; Data represents 893 stores and excludes 18 stores that either closed or opened during 2011

Longitudinal view of 8 cohorts¹ demonstrates clear improvements in performance

KPM scores for 8 cohorts¹
(2011 1H KPM results vs. 2011 2H KPM results)



1. As defined by full year 2011 KPM scores; Data represents 893 stores and excludes 18 stores that either closed or opened during 2011

April YTD KPM outlines two primary areas of focus for Pharmacy Teams

Intervention	KPM Metrics	KPM Target	Apr YTD Actuals	Apr YTD Points
First Fill Counseling	<ul style="list-style-type: none">First Fill Persistence & Compliance	66	65.2	21/25
New Script Pickup	<ul style="list-style-type: none">% of Patients Reached	65	56.4	--
	<ul style="list-style-type: none">% of Scripts Picked Up	65	59.2	9/20
Adherence Outreach	<ul style="list-style-type: none">% of Patients Reached	65	61.3	--
	<ul style="list-style-type: none">% of Past Due Scripts Picked Up	30	26.3	24/40
ReadyFill	<ul style="list-style-type: none">ReadyFill Success Rate	40	35.0	3/5
Customer Savings Initiative	<ul style="list-style-type: none">% Patient Acceptance	51	51.8	2/2
	<ul style="list-style-type: none">% of Scripts Converted	33	17.6	1/3
Pharmacy Advisor	<ul style="list-style-type: none">Average Days Past Due	3	4.0	1/3
	<ul style="list-style-type: none">Patient Counsel Success Rate	65	58.6	1/2
				62

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4 Breakout Activity

Patient Care Excellence launched to address variability/ inconsistency in Patient Care delivery

During Summer 2011, Patient Care Excellence effort initiated to understand the inconsistency in execution & variability in Patient Care performance across the chain

- Conducted field visits in 8 Districts to identify core issues / understand barriers to be addressed
- Interviewed over 60 field leaders and 120 pharmacy team members via focus groups
- Visited 42 stores to observe call behavior during peak Patient Care activity

Findings suggest the need for training to minimize performance variability due to several root causes:

- Misalignment on Patient Care goals & confusion around the objectives of specific intervention types
- Overemphasis on execution of calls at the expense of improving call influence
- Lack of knowledge around effective use of reporting tools (PCQ Activity Report, KPM)

Root causes to be addressed via 3-pronged approach:

- WBT course providing Patient Care overview & techniques for improving performance
- Sample Patient Care conversations provided to help teams role play overcoming patient objections
- Leverage the WeCare implementation to increase awareness of Patient Care objectives & techniques

**Goal of approach is to align teams / share best practices
to ensure consistency in delivery of Patient Care across the chain**

Patient Care Excellence Focus Groups yielded key insights into critical behaviors driving success

High Performers

Average Performers

Approach to Outreach Calls

"I don't think of the calls as a program. It's just a part of the service we provide."

"We try to get through our three call attempts on the weekend because it's too busy to make calls during the week."

Beliefs on In-store consultations

"It's not about how many patients we've reached. What matters is how many patients we've influenced."

"I think we're successful if we're down to one page in the PCQ by Friday."

Value of ReadyFill

"This is what I do as a Pharmacist. These consultations give me a chance to know my patients better."

"If my technicians didn't screen my consultations, I'd never have time to do anything else."

"I make ReadyFill a part of every consultation I do."

"If I did the consultation, how is it fair to be scored on the first refill?"

Ownership of Results

"ReadyFill is the key to my store's success. If we get ReadyFill right, everything else will follow."

"We automatically enroll patients in ReadyFill for maintenance meds. It helps our score."

"We discuss ReadyFill with our customers at every chance we get."

"We're constantly returning ReadyFill scripts to stock."

"We already know how we're performing even before the KPM comes out. It's just a confirmation of what we've already done."

"I have no idea how to make our scores better. We've tried all sorts of work-arounds but nothing seems to work."

Focus on 'big picture' (high performers) vs. execution (average performers)

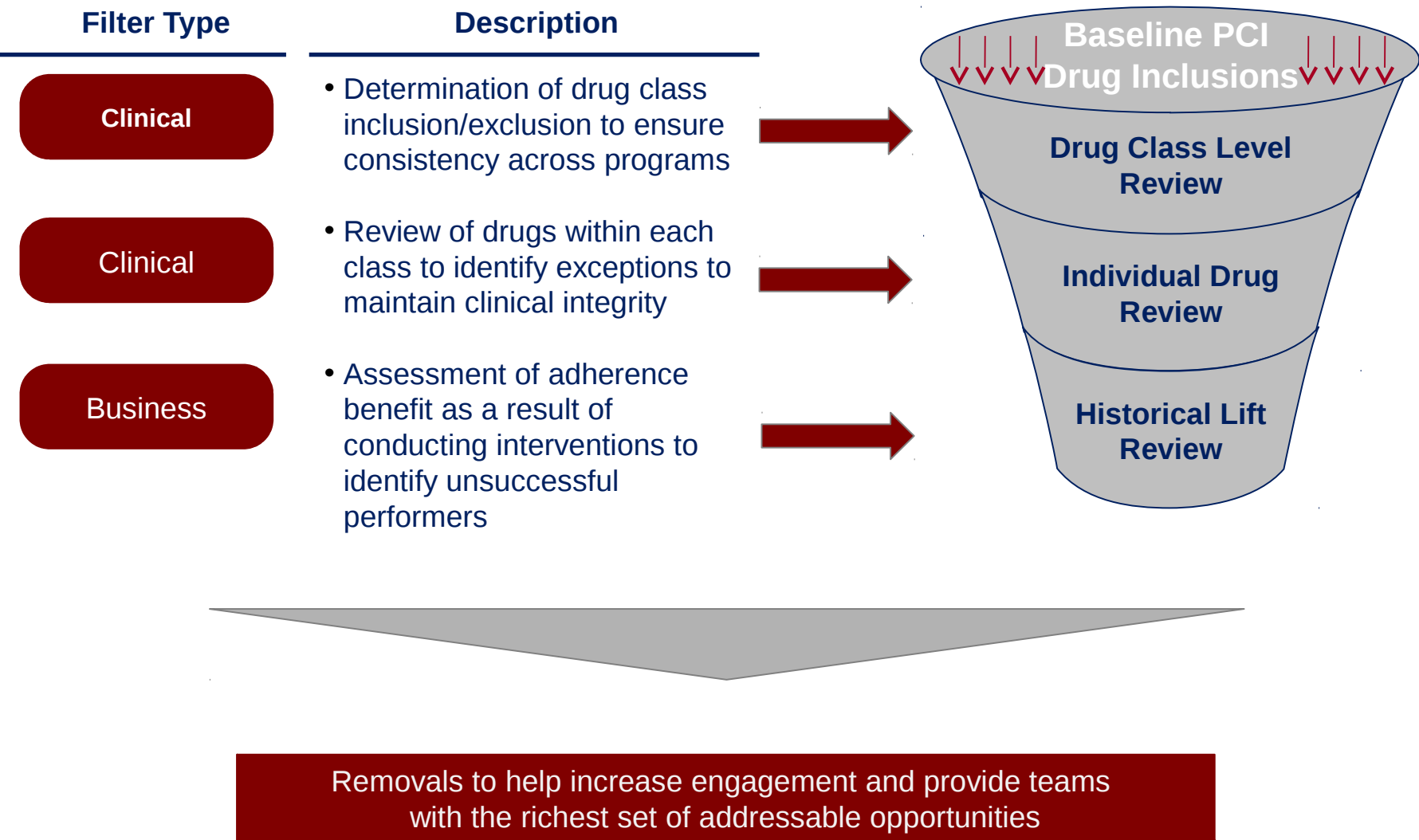
Anecdotal observations made during initial Patient Care Excellence visits to high-performing Districts

Successful Traits	Specific Observations / Comments
High Field and Store Team Engagement	<ul style="list-style-type: none">• Open lines of communication exist between stores and field management team• Store teams & field managers exhibit a “friendly” competition amongst each other• Alignment between Front Store and Pharmacy around “total store” focus areas & goals
Consistent Baseline Program Execution	<ul style="list-style-type: none">• PCQ is actively managed; call attempts are planned and routinely made throughout the week• Consistent execution of FFCs, even for patients not naïve to therapy• ReadyFill enrollment highlighted to improve adherence & maximize downstream efficiency
Clear Accountability & Alignment on Goals	<ul style="list-style-type: none">• Field managers & store teams review credentials on PCQ Activity Report to coach less effective team members• Districts conduct mid-year review (in March) with all RPhs to review district & store metrics and align on objectives• Notion of “Minimum Expectations” are shared (at the metric level) increasing team member awareness
Constant Tracking of Progress Towards Goals	<ul style="list-style-type: none">• Stores use current tools or create new ones to provide visibility into progress• Teams set goals on a continuous basis and consistently work to improve as a collective unit• Teams view and communicate results on a regular basis; identifying trends and opportunities to improve
Active Focus on Patient Care When Interviewing	<ul style="list-style-type: none">• Field Leadership actively discusses Patient Care during interview to ensure candidate will be successful• Recent graduates are typically targeted for hire as Patient Care skills are increasingly part of core curriculum• High-performing RPhs and Technicians utilized to coach/model behavior during new hire on-boarding

Continued investments will be made to further develop the people, systems, and insight needed to drive BIC patient care performance

Solution Elements	Description	Timing
Targeted Drug Optimization	<ul style="list-style-type: none">Complete multi-phase clinical review of targeted drugs across all patient care interventions to ensure consistencyAssess therapeutic class performance to identify underperformers	May
Patient Care Alignment	<ul style="list-style-type: none">Develop refresher course (WBT) on Patient Care for incumbent Pharmacists and Pharmacy Support Staff, positioning interventions as part of holistic Patient Care offering and highlight objectives of eachConduct WebEx sessions with Field Managers to review reporting tools and metrics, to provide best practices for driving consistent performance, and to answer questions related to Patient CareHost meetings in select markets to re-introduce the components of CVS' Patient Care offering and share key insights	May/June
PCQ Dashboard	<ul style="list-style-type: none">Deliver RxConnect enhancement providing pharmacy teams with real-time visibility to self-reported number of interventions conducted and success rates	Q3
New Hire Training Strategy	<ul style="list-style-type: none">Integrate training from recent Patient Care launches (e.g., CSI, Pharmacy Advisor) into LearnRx curriculum at a point when the information is most relevant to a new hireDevelop training guidelines to ensure Patient Care training is delivered consistently from market to market	Q4
Overcoming Patient Objections	<ul style="list-style-type: none">Develop effective strategies for addressing the most common patient objectionsCreate guidelines for effective motivational communication (e.g. asking open ended questions, focus on patient goals)Provide field managers w/ tools, resources, training, etc. regarding how to evaluate and improve pharmacy team effectiveness	Q1 2013

Comprehensive clinical and business impact review conducted to further enhance the integrity of our patient care offerings



Reinventing Pharmacy through Advanced Patient Care (WBT) to address root causes of variability in performance

Course Section	Objective
 <p>Introduction</p>	<ul style="list-style-type: none">To position individual Patient Care interventions as a holistic service offering
 <p>Patient Care Offerings</p>	<ul style="list-style-type: none">To align teams on specific intervention objectives
 <p>Effective Techniques</p>	<ul style="list-style-type: none">To share techniques for effectively influencing patient behavior
 <p>Tracking Success</p>	<ul style="list-style-type: none">To review the tools & systems developed to support teams in improving health outcomes

Patient Care WBT course to be completed between May 28th and June 17th

Patient Care Queue will be updated to improve store team visibility to real-time results of outbound calls

Line	Patient	DOB	Phone	Lang	Type	Role	Next Attempt	Status
1	ERVIN,KENDRA, STILTNER	08/11/1933	(229) 604-0480		ADHERENCE (ADVISOR)	RPh	12/29/2011 04:00 PM	Act Req
2	SIDHU,JASPREET, LESORA	03/15/1964	(229) 557-1805		ADHERENCE (ADVISOR)	RPh	12/29/2011 04:00 PM	Act Req
3	SLOSSER,CLARINE	07/21/1941	(229) 605-5781		FILL & PDYFILL(ADVISOR)	Tech	12/29/2011 04:00 PM	Act Req
4	PROUBON, ALICE(BRAN	01/24/1954	(229) 978-4602		ADHERENCE	Tech	12/29/2011 04:00 PM	Act Req
5	BECKETT,ANGEELE, BRAS	12/18/1961	(229) 509-9527		ADHERENCE	Tech	12/29/2011 04:00 PM	Act Req
6	BRILLHART,MEREDITH, MORALES...	11/22/1965	(229) 978-6400		ADHERENCE	Tech	12/29/2011 04:00 PM	Act Req
7	GARTNER,DONALD, SEMOCK	11/22/1957	(229) 628-4042		FFC FOLLOW-UP (ADVISOR)	RPh	01/07/2012 09:00 AM	Act Req
8	FERNANDEZ-DIGLIO, TRISTAN M...	07/28/1970	(005) 910-2821		ADHERENCE	Tech	01/13/2012 02:26 PM	1 - Attempt Made
9	TATE,CHRISTOPHER M, MARGARET...	08/23/1939	(229) 698-2539		ADHERENCE	Tech	01/13/2012 02:26 PM	1 - Attempt Made
10	OTTO, YANCY	11/11/1991	(508) 508-1991		REFILL REMINDER	Tech	01/14/2012 04:00 PM	Act Req
11	OTTO, STANLEY	08/08/1998	(508) 508-1998		REFILL REMINDER	Tech	01/16/2012 04:00 PM	Act Req
12	OTTO, ULYSIS	09/09/1999	(508) 508-1991		REFILL REMINDER	Tech	01/16/2012 04:00 PM	Act Req
13	OTTO, VICTORIA	09/09/1999	(508) 508-1999		REFILL REMINDER	Tech	01/16/2012 04:00 PM	Act Req
14	OTTO, WALTER	10/10/1990	(508) 508-1990		REFILL REMINDER	Tech	01/16/2012 04:00 PM	Act Req
15	OTTO, XAVIER	12/12/1992	(508) 508-1992		REFILL REMINDER	Tech	01/16/2012 04:00 PM	Act Req

Page 1 of 2

Next Page (Enter)

Select a function and press <Enter>

Select Line (F), View by Role/Outreach Type (V), Sort (S), Exit (X)

Patient

Prescriber

Drug

Third Party

Profile

Radar Store

Clinical

Refill

Help

Credentials

Store Info

Adj Status

Role	#Opps Since 01/14/2012	%Reached	%Success
RPh	0	0%	0%
Tech	8	25%	13%
Total	8	25%	13%

There are four types of information included on the PCQ Dashboard

Role:

Metrics are displayed for Pharmacist and Technician opportunities, as well as the Total

of Opportunities:

Running total of the number of opportunities that have been loaded into the PCQ since the most recent Saturday

% Reached:

Percent of opportunities where a disposition indicating the patient was reached was recorded in the PCQ

% Success1:

Percent of scripts for which the patient “accepted”, for example:

- Adherence Outreach: Script submitted for fill
- New Script Pickup: Patient plans to pick up prescription

% Reached and % Success metrics represent self-reported data

- Intended to provide best available, most recent information to help store teams self-manage
- Will not necessarily align with other available reporting vehicles such as the PCI Weekly Performance Report and KPM, which are based on vertical phone data and scripts sold through POS

The Patient Care Queue will be enhanced with a real-time dashboard of summary metrics for outbound calls

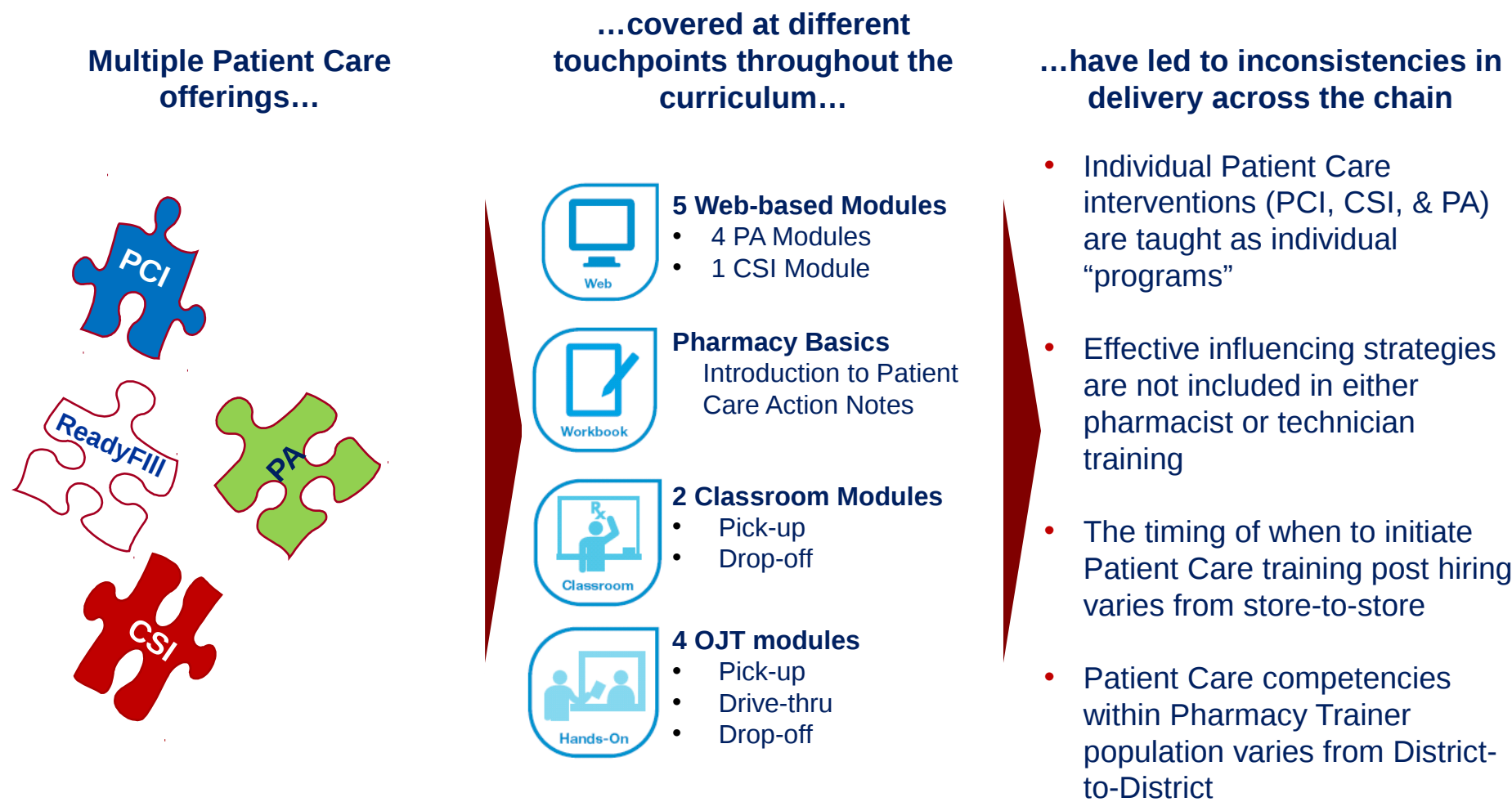
- Located directly on the PCQ summary view screen
- Immediately updates each time a call disposition is recorded that closes an opportunity

Metrics displayed will help store teams track their performance throughout the week

- Execution: Percent of patients reached
- Influence: Percent of scripts “accepted” by the patient during the call

1 '100% Success' excludes some types of prescriptions such as “Due” and “First Fill Follow Up” which are currently excluded from KPM metrics

Current new hire training lacks holistic approach to Patient Care



Field Teams are left to create local solutions to ensure new hires are adequately trained and aligned on Patient Care goals

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Real Time Order Ready will solve for several workflow and customer service related issues

Customer expectations are unknown for ~49% of scripts and there are fewer and fewer opportunities to set/reset customer expectations

- “Surprise waiters” account for ~4% of all customers
- ~11% of all eRxS are “surprise waiters”
- ~27% of scripts have a problem at intake

Waiting Bin volumes have increased at ~14% a year since 2002 due to patients not knowing when their scripts are available for several days

- Increased waiting bin size causes complexity and slows service at pick-up
- ReadyFill scripts account for much of this increase

19% of all incoming phone calls to pharmacies are “status checks” to see if prescriptions are available for pick-up

Incoming phone calls due to unknown promise times can significantly impact store teams

Properly setting customer expectations on scripts with ambiguous promise times will have positive impacts on customer service and store teams

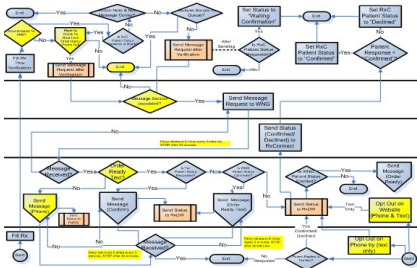
High level view of what the RTOR process will look like

Pharmacist Verification



- Pharmacist verifies script as part of normal workflow
- Script enters waiting bin

Opportunity Identification



- Immediately after verification, RxConnect identifies and validates RTOR eligibility

Patient Contact



- Automated call sent to patient to inform them of their script's availability for pick up
- Message will be identical to regular Order Ready automated call messaging

Patient Pickup in Store



- Patient picks up script that is available in the waiting bin
- If patients do not pick up by day 3, they will receive a regular Order Ready automated call

Real Time Order Ready will not require any action on the store teams part

Planned activities to support roll out of Real Time Order Ready Program

Pre-launch

A high level view of what the RTOR process will look like

Pharmaceutical Verification

- Pharmacist verifies drug is part of normal workflow
- Identify and verify RTOR eligible

Opportunity Identification

- Pharmacist identifies RTOR eligible patients
- Identify and verify RTOR eligible

Patient Contact

- Pharmacist contacts patient via phone or in-store
- Identify and verify RTOR eligible

Patient Pickup in Store

- Pharmacist provides medication to patient
- Identify and verify RTOR eligible

- Provide overview of RTOR to field leadership
- Align with field leadership on rollout plan
- Develop knowledge articles and diagnostic tools for field and Work Load Manager

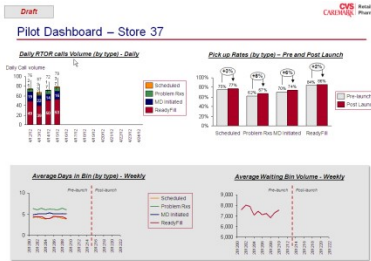
Alpha Launch

Automated Customer Service Programs - PCI Connect

- Automated patient verification
- Automated patient contact
- Automated patient pickup

- Launch RTOR in Store/ District/ Region
- Conduct in-store observations during the first few weeks of pilot to ensure that system is properly identifying RTOR scripts and sending calls in real time
- Track performance of program and impact on workflow

Launch



- Launch RTOR program chain-wide
- Provide post-launch FAQ
- Continuously monitor performance of RTOR and share results with store teams

Today June July - August

Select patients, in ~70 stores, began receiving Real Time Order Ready calls May 1st

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Ensuring Consistency in Patient Care Execution

Open Discussion

1. What can we do differently in the second half of the year to ensure consistency in execution across the chain?
2. What does success look like?
3. What approach (to engaging store teams) has proven to be most effective?
4. What additional tools are needed to help support field leadership efforts?

What can we collectively do to ensure success?

Appendix

Bottom Quartile – distribution by Region1

Area	Region	District	# of Stores	% of District
2	6	1	10	55.6%
2	6	2	5	25.0%
2	6	3	6	33.3%
2	6	4	10	58.8%
2	6	5	13	65.0%
2	6	6	13	61.9%
2	6	7	12	70.6%

Area	Region	District	# of Stores	% of District
2	31	1	8	42.1%
2	31	2	7	36.8%
2	31	3	1	5.3%
2	31	4	4	20.0%
2	31	5	2	10.0%
2	31	6	1	5.3%
2	31	7	2	11.8%

Area	Region	District	# of Stores	% of District
2	9	1	7	50.0%
2	9	2	1	5.9%
2	9	3	5	29.4%
2	9	4	3	17.6%
2	9	5	6	35.3%
2	9	6	6	33.3%
2	9	7	7	38.9%
2	9	8	2	11.8%

Area	Region	District	# of Stores	% of District
2	12	1	4	26.7%
2	12	2	3	17.6%
2	12	3	4	23.5%
2	12	4	4	25.0%
2	12	5	2	11.8%
2	12	6	4	22.2%
2	12	7	0	0.0%

Area	Region	District	# of Stores	% of District
2	8	1	8	40.0%
2	8	2	6	30.0%
2	8	3	5	23.8%
2	8	4	1	4.8%
2	8	5	5	27.8%
2	8	6	5	25.0%
2	8	7	3	14.3%
2	8	8	10	47.6%
2	8	9	0	0.0%
2	8	10	4	19.0%

Area	Region	District	# of Stores	% of District
2	32	1	0	0.0%
2	32	2	0	0.0%
2	32	3	1	5.6%
2	32	4	1	5.3%
2	32	5	0	0.0%
2	32	6	0	0.0%
2	32	7	1	5.0%
2	32	8	4	19.0%
2	32	9	0	0.0%

1. Data represents 893 stores; excludes 18 stores that either closed or opened during 2011